

([text-only](#) format)

Article: 571 of sgi.talk.ratical

From: (dave "who can do? ratmandu!" ratcliffe)

Subject: How the CIA turned `being directed by the NSC' into `getting approval'

Keywords: the compartmentalized "need to know" security lid locks up the govn't

Organization: Silicon Graphics, Inc.

Date: Fri, 10 Apr 1992 18:01:36 GMT

Lines: 547

... Control of a good share of what the Pentagon is doing is more important to the CIA than control over the government of Jordan or Syria....

When the CIA wants to do something for which it does not have prior approval and for which it does not have legal sanction, it works from the bottom, using all of its guile with security and "need to know" -- a euphemism for "keep the scheme away from anyone at any level of government who might stand in its way." Hand and Lansdale, among others, were almost always able to line up enough support in the right places to make it possible for the CIA to get a favorable reading from the "Forty Committee" on any subject, legal or not. In fact, this is the great weakness of such a committee. Rather than working to control the agency it works the other way. The procedure makes it possible for the agency to win approval from a lesser echelon of the NSC infrastructure, and then, by clamping on a security id, it makes others believe that the CIA had orders from the NSC or perhaps even from the President, when in fact it did not.

the following appeared in the 7/75 issue of *Genesis*:

How the CIA Controls President Ford

By L. Fletcher Prouty

reprinted with permission of the author

In this monstrous U.S. government today, it's not so much what comes down from the top that matters as what you can get away with from the bottom or from the middle -- the least scrutinized level. (Contrary to the current CIA propaganda as preached by William Colby, Ray Cline, Victor Marchetti and Philip Agee, who say, incorrectly, "What the Agency does is ordered by the President.")

As with the Mafia, crime is a cinch if you know the cops and the courts have been paid off. With the Central Intelligence Agency, anything goes when you have a respected boss to sanctify and bless your activities and to shield them from outside eyes.

Such a boss in the CIA was old Allen Dulles, who ran the Agency like a mother superior running a whorehouse. He knew the girls were happy, busy, and well fed, but he wasn't quite sure what they were doing. His favorites, all through the years of his prime as Director of Central Intelligence, were such stellar performers as Frank Wisner, Dick Bissell, George Doole, Sheffield Edwards, Dick Helms, Red White, Tracy Barnes, Desmond Fitzgerald, Joe Alsop, Ted Shannon, Ed Lansdale and countless others. They were the great operators. He just made it possible for them to do anything they came up with.

When Wisner and Richard Nixon came up with the idea of mounting a major rebellion in [Indonesia in 1958](#), Dulles saw that they got the means and the wherewithal. When General Cabell and his Air Force friends plugged [the U-2 project](#) for Kelly Johnson of Lockheed, Dulles tossed it into the lap of Dick Bissell. When Dick Helms and Des Fitzgerald figured they could play fun and games in Tibet, Dulles talked to Tom Gates, then Secretary of Defense, and the next we knew CIA agents were spiriting the Dalai Lama out of Lhasa, CIA undercover aircraft were clandestinely dropping tons of arms, ammunitions, and supplies deep into Tibet and other planes were reaching as far as northwestern China to Koko Nor.

While he peddled the hard-won National Intelligence Estimates to all top offices and sprinkled holy water over the pates of our leaders, Dulles dropped off minor miracles along the way to titillate those in high places. If you win the heart of the queen and convert her to your faith, you can control the king. This works for the Jesuits. It worked well for the CIA. Allen Dulles was no casual student and practitioner of the ancient art of religion. He was an expert in the art of mind-control. He learned how to operate his disciples and his Agency in the ways of the cloth.

But for every Saint and every Sinner in the fold there must be an order of monks, and the Agency has always been the haven for hundreds of faceless, nameless minions whose only satisfaction was the job well done and the furtherance of the cause. One of the most remarkable -- and surely the best -- of these was an agent named Frank Hand.

In my book, *The Secret Team*, written during 1971 and 1972, I mentioned that the most important agent in the CIA was an almost unknown individual who spent most of his time in the Pentagon. At that time I did not reveal his name; but a small item in a recent obituary column stated that:

"Frank Hand, 61, a former senior official of the CIA, died in Marshall, Minn. . . .
(he was) a graduate of Harvard Law School. He had served with the CIA from 1950 until retirement in 1971."

After a life devoted to quiet, effective, skillful performance of one of the most important jobs in the worldwide structure of that unparalleled agency, all that the CIA would publicly say of Frank Hand was that he was a "senior official."

Ask Dick Helms, Ed Lansdale, Bob McNamara, Tom Gates or Allen Dulles or John Foster Dulles, if they were with us today, and they all would tell us stories about Frank Hand. They would do more to characterize the nature and the sources of power which make use of and control the CIA than has ever been told before. He was that superior operative who made big things work unobtrusively.

You might have been one of the grass-green McNamara "whiz kids," lost in the maze of the Pentagon Puzzle Palace, who came upon a short, Hobbit-like, pleasant man who knew the Pentagon so well that you got the feeling he was brought in with the original load of concrete. Thousands of career men to this day will never realize that Frank Hand was a "Senior Official" of the CIA and not one of their civilian cohorts. To my knowledge he never worked anywhere else. I was there in 1955 and he was there. I left in December 1963, and he was at my farewell party. He must have spent some of his time at the agency; but it must have been before 1955. If he had a dollar for every trip he made in those busy years between the Pentagon and the CIA he would have died a very wealthy man. He popularized the Agency term "across the river" and the "Acme Plumbers" nickname for agents of the CIA. (A term later to be confused by Colson and John Ehrlichman, among others, with the use of the term "White House Plumbers" of Watergate fame. Someone knew that Hunt, McCord, the Cubans, Haig, Butterfield and others all had CIA backgrounds and connections and therefore were "Plumbers." Only the insiders knew about the real "Acme Plumbers.")

Frank was as much at home with Allen Dulles as he was with the famous old supersleuth, General Graves B. Erskine, and as he was with Helms, Colby, or Fitzgerald. Ian Fleming may have popularized the spy and the undercover agent as a flashing James Bond type; but in the reality of today's world the great ones are more in the mold of Frank Hand and *The Spy Who Came In From The Cold*.

There has long existed a "golden key" group of agency and agency-related supermen. They came from the CIA, the Pentagon, the Department of State, the White House and other places in government or from the outside. They have kept themselves inconspicuous and they meet in the evening away from their offices. They are the men who open the doors of big government to industry-banking law and to the multinational corporate centers of greed and power. Their strength lies in their common awareness of the ways in which real power is generated in the government, the real power that controls activities of the government. In many instances this is the power of being able to keep something from happening, rather than to make it happen. For example, if the President is murdered, real power involves the control of government operations sufficient to make any investigation ineffective and to assure that the government will do nothing even if the investigation should turn up something. Real power is the ability to keep the government bureaucracy from going into action when the price of petroleum and wheat is doubled or tripled by avaricious international monopolies.

Some of these "gold key" members have surfaced and have accepted publicity, as did Des Fitzgerald, Allen Dulles, Tracy Barnes and others. Frank never did. He was so anonymous that even his friends could not find him.

The Agency covered for Frank Hand as it did for few others. The James Bonds of this world may be the idols of the Intelligence coterie; but if you are a Bill Colby, Dick Helms, or Allen Dulles, you know the real value of an indispensable agent. Frank was their man in the Pentagon, and the Pentagon was always the indispensable prime target of the CIA. When the chips are down, the CIA could care less about overturning "Communism" in Cuba or Chile. What really matters is its relative power in the U.S. Government. Control of a good share of what the Pentagon is doing is more important to the CIA than control over the government of Jordan or Syria.

Once, when the CIA wanted to move a squadron (twenty-five) of helicopters from Laos to South Vietnam, long before the troubles there had become a war, I turned down the request from the Deputy Director of Central Intelligence in the name of the Secretary of Defense for no other reason than the fact that I did not find that project on the approved list of the National Security Council's "Forty Committee" (then called the 5412/2 committee). That meant the agency had neither been directed by the National Security Council to move those helicopters into Vietnam, nor had it received authorization for such a tactical movement. In other words, the planned intervention into South Vietnam with a squadron of helicopters would at that time have been unlawful as an intervention into the internal affairs of another country.

This denial then, in 1960, effectively blocked the CIA from being able to move heavy war-making equipment into Vietnam. The helicopters were actually U.S. Marine Corps property on "loan" from Okinawa to the CIA for clandestine operations in Laos.

At that time my immediate superior was General Graves Erskine, the Assistant to the Secretary of Defense for Special (Clandestine) Operations, and the man then responsible for all military support of clandestine operations of the CIA. Also at that time, Frank Hand, "worked for" Erskine. Of course, this was a cover assignment -- "cover slot" as it was known to us and to the CIA. Frank had a regular office in the Pentagon.

No sooner had the CIA request been turned down than someone near the top of the agency called Frank and told him about it. In his smiling and friendly way he came into my office, carrying two cups of coffee, and began some talk about music, travel, or golf. Then, as was his practice, he would get the subject around to his point with such a comment as, "Fletch, who do you suppose took a call here about the choppers in Laos?" and we would be off.

The special ability he possessed was best evidenced by the process he would set in motion once he discovered a problem that affected the ambitions of the agency. He would talk about the choppers with Erskine. Then he would drop in to see the Chief of Naval Operations and perhaps the Commandant of the Marine Corps. He would talk with some of the other civilian Assistant Secretaries. In other words, he would go from office to office like a bee spreading pollen, titillating only the most senior officers and civilian officials with the most "highly sensitive" tidbits about the CIA's plans for Vietnam. In this manner he would find out what the real thinking in the Pentagon might be, and where there might be real opposition to such an idea -- such as in the Marine Corps, which knew it would never get compensation for those expensive helicopters and for the loss of time of all their support people. He would also find out where there would be support, as with the ever-eager U.S. Army Special Forces, most of whose senior officers had been with the CIA.

Then he would drop out of the picture for awhile to travel back to the old CIA headquarters, on the hill that overlooks what is now the Watergate complex, for a long talk with Allen Dulles or the Deputy Director, General Cabell. On matters involving the clandestine services he would also stop by the old headquarters buildings, that lined the reflecting pool near the Lincoln Memorial, to talk with Dick Helms, Desmond Fitzgerald, and other operators. Within a day or two he would have them fully briefed on the steps to be taken in order to win over the Defense Department; or failing that, how to overpower and outmaneuver the Pentagon in the Department of State and the White House.

The foregoing is a "case study" on the important subject of how the CIA really operates and what it believes is its top priority. The propaganda being spread around today by the CIA and its propagandists that, "What the CIA does is ordered by the President," is totally untrue in all but .00001 percent of actual historical cases. It is much more factual to say that, "What the CIA does is to find ways to initiate major foreign policy moves without having the President find out -- or at least without discovery until it is too late."

"It is in precisely that manner that the CIA today works around, beneath and behind the White House to effect policies that could influence the survival of the nation and the world. "Gold Key" operatives are, at this very moment, carrying out CIA game plans entirely outside the power of President Ford's ability to affect their activities. He is totally without knowledge of most of them, and therefore powerless to stop or alter them.

In the case of the helicopters, Frank Hand was able to convince Allen Dulles that the disapproval from the Secretary of Defense, via my office, was real and that the Secretary would, at that time, be unlikely to change his mind. Frank also could report that the position of other top-level assistants was so cool to stepping up the hardware *involvement* of the military in Vietnam, in 1960, that none of them would likely attempt to persuade the Secretary to change his policy of limited involvement.

Fortified with the information gleaned by Frank Hand, Allen Dulles would have two primary options: drop the idea of moving helicopters into Vietnam, or bypass the Secretary of Defense for the time being by going to the White House for support. In 1960 this was a crucial decision. The huge attempt to support a rebellion in Indonesia had failed utterly, the U-2 operations had been curtailed because of the Gary Powers incident, the far-reaching operations into Tibet had come to a halt by Presidential directive and anti-Castro activities were limited to minor forays. And at that time the large-scale (large for CIA) war in Laos had become such a disaster that the CIA wanted no more of it. Dick Bissell, the chief of the Clandestine Services, had written strong, personal letters to Tom Gates, the Secretary of Defense, wondering openly what to do about the 50,000 or more miserable Laotian Meo tribesmen the CIA had moved into the battle zones of Laos and then had deserted with no plans for their protection, resupply, care or feeding. The CIA badly wanted to be relieved of the war that they had started and then found they could not handle. They wanted to transfer and thus preserve the agency's assets, including the helicopters, to the bigger prospects in Vietnam.

So, in 1960, if Allen Dulles dropped the idea of moving his assets from Laos, he would not only have lost those helicopters back to the Marine Corps but he would have seriously jeopardized the CIA's undercover leadership role in the development of the war in Vietnam, which it had been fanning since 1954.

This was a crucial decision for both the CIA and for those who wished to contain the agency. If those who wished to put the CIA genie back in the bottle had been able at that time to prevent the move of those CIA assets into Vietnam, Dulles would have had to disband them: helicopters, B-26 bombers from the Indonesian fiasco, tens of thousands of rifles and other weapons, C-46, C-54 and other Air America-supported heavy transport aircraft, U-2 operations over Indochina, radar and other clandestine equipment, C-130's specially modified for deep Tibetan operations, and much more. From the point of view of the CIA, the helicopters were simply the tip of the iceberg, and the decision was its most important in that decade.

Typically, in his unwitting Mother Superior-style, which included bulldog tenacity, Dulles chose the route to the White House. Here again he could rely strongly on Frank Hand. Working with Hand in Erskine's office was the CIA's other best agent, Major General Edward G. Lansdale, who had long served in the CIA. Like Hand, he had unequalled contacts in the Department of State and in the White House. In support of Dulles, they contacted their friends there and began a subtle and powerful move destined to prepare the way for what would appear to be a decision by President Eisenhower. This was an important feature of the "case study": The *apparent* Presidential decision.

When the CIA wants to do something for which it does not have prior approval and for which it does not have legal sanction, it works from the bottom, using all of its guile with security and "need to know" -- a euphemism for "keep the scheme away from anyone at any level of government who might stand in its way." Hand and Lansdale, among others, were almost always able to line up enough support in the right places to make it possible for the CIA to get a favorable reading from the "[Forty Committee](#)" on any subject, legal or not. In fact, this is the great weakness of such a committee. Rather than working to control the agency it works the other way. The procedure makes it possible for the agency to win approval from a lesser echelon of the NSC infrastructure, and then, by clamping on a security id, it makes others believe that the CIA had orders from the NSC or perhaps even from the President, when in fact it did not.

Thus it was that, about two weeks from the day that I received that first call requesting the movement of the squadron of helicopters, received word from General Erskine that he had been "officially" informed that the White House (Forty Committee) had approved the secret operation. The helicopters were moved into Vietnam. They were the first of thousands.

The great significance of this incident is to point out how the CIA works powerfully, deftly, and with great assurance at any level of our government to get anything it wants done. But the anecdote shows only the surface coating of the application of the CIA apparatus.

One year earlier, in 1959, Frank Hand had directed a Boston banker to my office. At that time I worked in the Directorate of Plans in Air Force headquarters and my work was top secret. Few of my contemporaries in the Pentagon knew that I was in charge of a global U.S. Air Force system created for the dual purpose of providing Air Force support for the CIA and for protecting the best interests of the USAF while performing that task. My door was labeled simply, "Team B"; yet that Boston banker knocked and entered with assurance. Somehow he knew what my work was and he knew that I might be able to help him.

In 1959 there were very few helicopters in all of the services, and military procurement of those expensive machines was at an all-time low. The Bell Helicopter Company was all but out of business, and its parent company, Bell Aerospace Corp., was having trouble keeping it financially afloat. Meanwhile, the shrewd Royal Little, President of the Providence-based Textron Company, had a good cash position and could well afford the acquisition of a loser. Textron and the First National Bank of Boston got together to talk helicopters. Neither one knew a thing about them. But men in First Boston were close to the CIA, and they learned that the CIA was operating helicopters in Laos. What they needed to know now was, "What would be the future of the military helicopter, and would the use of helicopters in South East Asia escalate if given a little boost -- such as moving a squadron from Laos to Vietnam?" The CIA could tell

them about that, and Frank Hand would be the man who could get them to the right people in the Pentagon.

The banker from Boston phrased his questions as though he believed that the helicopters in Laos were somehow operating under the Air Force, and then went on to ask about their tactical significance and about the possible increase of helicopter utilization for that kind of warfare. This was at a time when not even newspapers had reported anything like the operation of such large and expensive aircraft in that remote war. We had a rather thorough discussion and then he left. He called me several times after that and visited my office a month or two later.

As the record will show, Textron did acquire the Bell Helicopter Company and the CIA did step up use of helicopters to the extent that one of the CIA's own proprietary companies, Asia Aeronautics Inc., had more than four thousand men on each of two bases where helicopters were maintained. Most of those men were involved in their maintenance -- Bell Helicopters, no less!

Orders for Bel Helicopters for use in Vietnam exceeded \$600-million. Anyone wanting to know more about how the U.S. got so heavily (\$200-billion and the loss of 58,000 American lives) involved in Indochina need look no further. This was the pattern and the plan.

At the present time, when the White House, the House, and the Senate are all investigating the CIA, it is important to understand the CIA and to put it all in the proper perspective. It is not the President who instructs the CIA concerning what it will do. And in many cases it is *not* even the Director of Central Intelligence who instructs the CIA. The CIA is a great, monstrous machine with tremendous and terrible power. It can be set in motion from the outside like a programmer setting a computer in operation, and then it covers up what it is doing when men like Frank Hand -- the real movers -- put grease on the correct gears. And in a majority of cases, the power behind it all is big business, big banks, big law firms and big money. The agency exists to be used by them.

Let no one misunderstand what I mean. It was President Lyndon B. Johnson who on more than one occasion said that the CIA was "operating a damn Murder Inc. in the Caribbean." In other words, he knew it was doing this -- and he was the President! This knowledge has been recently confirmed by Defense Secretary James Schlesinger (who is a former head of the CIA) and others by their admission that they told the agency to end all "terminations." But Lyndon Johnson was powerless to do anything about it. This is an astounding admission from a President, the very man from whom, the CIA says, it always gets its instructions.

The present concern over "domestic surveillance" and such other lean tidbits -- most important to you and me as they are -- is not important to the CIA. It can easily dispense with a James Angleton or even a Helms or a Colby (just look at the list of CIA bigwigs who have been fired -- Allen Dulles, Frank Wisner, Dick Bissell, Dick Helms, and now perhaps Colby); but the great machine will live on while Congress digs away at the Golden Apples tossed casually aside by the CIA -- the supreme Aphrodite of them all. Notice that the agency cares little about giving away "secrets" in the form of cleverly written insider books such as those by Victor Marchetti and Philip Agee. The CIA just makes it look as though it cared with some high-class window dressing. Actually the real harm to the American public from those books is to make people believe that certain carefully selected propaganda is true.

In the story of Frank Hand we come much closer to seeing exactly how the CIA operates to control this government and other foreign governments. It is still operating that way. Today it is President Ford who is the unwitting accessory.

* * * * *

the following is taken from an article Fletcher Prouty wrote for the February 1986 issue of *Freedom* magazine, entitled, "Why Vietnam? The Selection and Preparation of the Battlefield For America's Entry into the Indochina War," Part 7 in a Series on the Central Intelligence Agency. I include it to amplify on the curious visit Colonel Prouty received in 1959 from the vice president of the First National Bank of Boston and how it demonstrates that

There was only one way that vice president of the First National Bank of Boston could have come directly to my office in the Pentagon. The CIA had sent him there.

This is one of the most important "truly confidential" roles of the agency. The CIA is the best friend of the top executives of America's biggest businesses, and it works for them at home and abroad. It is always successful in the highest echelons of government and finance. . . .

Translated into everyday terms, Casey's CIA, as was Allen Dulles' CIA, is one of the true bastions of power as a servant of the American and transnational business and financial community.

-- ratitor

Helicopters in Vietnam

Toward the end of World War II, a small number of helicopters made their appearance in military operations. During the costly battle for Okinawa, in the summer of 1945, General Joseph Stilwell -- famed for his role as commander in the China-Burma-India theater of the war -- began to use an early model of the Sikorsky helicopter as a "command car."

During the early 1950s, the Korean War gave the helicopter industry a much needed boost and several models were used there. After the Korean War, the use of helicopters in all services was severely curtailed by high costs of procurement and by the enormous amounts of time and money required to keep them in operation. By 1959 almost all helicopter manufacturers were broke, or at least on very hard times. This included the Bell Helicopter

Company in Buffalo, New York.

The helicopters used on operational missions into Laos, mentioned in this article, were the only military helicopters anywhere in the world getting regular and frequent tactical use. However, their very existence in Thailand and their employment in Laos were secrets. They had been moved from Okinawa to Thailand and were supported by my office in the Pentagon.

One day, in 1959, a man entered my office to discuss helicopters.

Because of the nature of the work my office was doing, this was an infrequent event. Outside the door of the office there was a small blue card that read:

Air Force Plans

"Team B"

Chief -- Lt. Col. L. F. Prouty

That card by the door drew little attention, and it was meant to be that way. Then how did this civilian visitor from the outside world know that "Team B" was the place he wanted to visit -- for business purposes?

He introduced himself as a vice president of the First National Bank of Boston. He said he was interested in the tactical utilization of helicopters. Somehow he had been directed to "Team B." "Team B" had been established in 1955 to provide "military support of the clandestine activities of the CIA." The use of helicopters in Laos was a clandestine operation of the CIA.

My visitor knew quite a bit about the helicopters in Thailand. He wanted to know if this utilization of large helicopters on tactical missions was a harbinger of more helicopters or was it simply a make-work project? Then he got to the reason for his visit.

He said that the Textron Company of Providence, Rhode Island, was a major customer of his bank. Textron was in a good cash position and the bank was advising them to diversify and acquire a marginally viable company for tax purposes and with an eye to future value.

To the First National Bank of Boston the helicopter business and specifically the Bell Helicopter Company in Buffalo appeared to be a prime prospect on both counts. Textron was interested. The only problem was the market. Would there ever be an interest in and a need for helicopters by the military, meaning in big numbers? The Laotian operation was the only show in town.

Because of the role being played by my office in support of the use of helicopters in Southeast Asia, I already knew the Bell people well both in Washington, D.C., and Buffalo. I knew Bill Gesel, the president of Bell Helicopter. I knew they were competent, but in trouble for lack of orders.

I described the helicopter as a useful vehicle of limited potential, but rather well suited for covert operations. In simple terms, the helicopter was too costly for the regular military budget, but, as a rule, covert operations had money to burn. That was the kind of money helicopters needed. Because of the trend of covert operations in Southeast Asia, I believed the demand for helicopters would increase.

As events later transpired, the First National Bank of Boston, of which this man was a vice president, was instrumental in getting Textron to acquire the Bell Helicopter Company. This was the beginning of the Textron acquisition of Bell and of the great success Bell had in selling helicopters for use in Indochina. As we all know now, the Bell "Huey" helicopter was the unsung hero of the struggle in Vietnam. Thousands were used there.

On one occasion, while I was at lunch at the Army and Navy Club in Washington, Bill Gesel, still president of Bell, came by my table and pulled a check out of his pocket that was in the range of nine figures -- hundreds of millions of dollars. Needless to say, Bell was doing well. Textron was doing well. The First National Bank of Boston had earned its fees and, as a result, the remains of hundreds of Hueys are scattered all over the countryside of Vietnam. The Huey had become the famous "gun ship" of that war.

There was only one way that vice president of the First National Bank of Boston could have come directly to my office in the Pentagon. The CIA had sent him there.

This is one of the most important "truly confidential" roles of the agency. The CIA is the best friend of the top executives of America's biggest businesses, and it works for them at home and abroad. It is always successful in the highest echelons of government and finance.

This is the way things were more than 25 years ago. You may be assured these successes have not diminished under the current director of central intelligence, William J. Casey, a true friend of business.

During a speech, delivered in December 1979 before an American Bar Association workshop on "Law, Intelligence and National Security," Casey said that he would like to see the CIA be a place "in the United States government to systematically look at the economic opportunities and threats in a long-term perspective, . . . [to] recommend, or act on the use of economic leverage, either offensively or defensively for strategic purposes."

Translated into everyday terms, Casey's CIA, as was Allen Dulles' CIA, is one of the true bastions of power as a servant of the American and transnational business and financial community.

daveus rattus

yer friendly neighborhood ratman

KOYAANISQATSI

ko.yan.nis.qatsi (from the Hopi Language) **n.** **1.** crazy life. **2.** life in turmoil. **3.** life out of balance. **4.** life disintegrating. **5.** a state of life that calls for another way of living.

back to [JFK](#) | *ratville times* | [rat haus](#) | [Index](#) | [Search](#) | [Tree](#)